



Anthony V. Marrocco

Public Works Commissioner
Macomb County

February 11, 2011 - 3:00 p.m.

News Release

Detroit Water Board Revamped by Agreement of Detroit and Suburbs; Oakland Motion to govern DWSD Withdrawn

U.S. District Court Judge Sean Cox has entered a Stipulated Order that creates a stronger and more representative Detroit Water Board, while providing for withdrawal of Oakland County's motion for appointment of a five person management panel to administer the Detroit Water and Sewerage Department (DWSD).

The Order was signed this morning by Mayor Dave Bing, Wayne County Executive Robert Ficano, Oakland County Water Resources Commissioner John McCulloch and Macomb County Public Works Commissioner Anthony V. Marrocco.

Marrocco said the Order represents "A historic agreement between Detroit and the suburbs on the future management of the water and sewer system".

He called it "An important first step toward improving the governance of DWSD. It gives better representation to regional customers, arms the Water Board with its own staff to independently monitor and scrutinize items that come before it for approval and sets high standards for serving on the Water Board".

Under terms of the Order, the suburban counties will have the right to name three of the seven representatives to the Water Board. Previously, the bylaws of the Board allowed but didn't require suburban representation. The other four members must be Detroit residents.

Whether the Water Board members serve at will or can be removed only for just cause will be briefed by the parties and decided by Judge Cox at a later date. Oakland's Motion was withdrawn with prejudice, which means that it can be reinstated at a later date.

Five of the seven members of the Water Board will be removed by Mayor Bing prior to April 1. Bing reserves the right to retain two current members to provide continuity.

Members of the Water Board will be provided their own in-house staff consisting of an attorney, financial person and a technical expert with experience in engineering, water operations or wastewater services.

OFFICE LOCATION: 21777 Dunham Road, Clinton Township, Michigan 48036 • Phone: 586-469-5325 • Fax: 586-469-5933

MAILING ADDRESS: P. O. Box 806, Mt. Clemens, Michigan 48046-0806

ENGINEERING • Phone: 586-469-5910 • Fax: 586-469-7693 ♦ **SOIL EROSION** • Phone: 586-469-5327 • Fax 586-307-8264

Marrocco called this provision “Critical to the proper oversight of the department. It means that for the first time the Water Board will be able to call upon their own independent staff of experts to review and investigate agenda items that come before the Board for approval”. The staff members must be approved by a supermajority of five members of the Water Board.

Other provisions require the Water Board members to have a minimum of seven years of experience in law, engineering, finance, utility or other regulated industry. Marrocco said, “This requirement means that members will come to the table with a high level of experience and training to deal with the issues presented to them”.

The Order provides that Board members will receive compensation for the first time, consisting of a salary of \$10,000 plus \$250 per meeting, with total compensation not to exceed \$20,000 per year. Marrocco said he agreed with the provision to pay the members, based on the workload they are expected to handle, with some 30 to 40 meetings per year, plus additional time for research and discussion of issues.

Five votes will be required to approve water and sewer rates and capital improvement programs. This means that future rate increases will need at least one suburban vote, along with all four Detroit votes. The Detroit City Council currently has final approval over rates. The Order has immediate effect although some of its terms will be phased in. New members of the Water Board are to be appointed before April 1.

#